

Agricultural Products Board

way of providing assistance to underdeveloped and backward countries. The government should do what the minister says it is its intention to do, namely provide a formula for floor prices for agricultural products. I accept the minister's suggestion that the formula might be on the same price-cost relationship as prevailed from 1943 to 1945. During that period I do not think farm prices were particularly high. Farm costs were not particularly high, either; so that the 1943-45 relationship might represent a formula on which a floor price could be based. The minister may say: Suppose we get a surplus? Suppose we get a greater quantity of production than we can consume in Canada? I would say that is all to the good. If we could produce more eggs and more bacon than we can consume in Canada, many of the western European nations—and I am thinking particularly of the United Kingdom—would welcome Canadian eggs and Canadian bacon. Foodstuffs of all kinds would be welcomed in the poverty-stricken nations of southeast Asia. One of the best contributions Canada could make to the establishment and the promotion of democracy throughout the world and the maintenance of peace would be to ship larger quantities of food to European countries and countries in southeast Asia, because I feel Canada could and should produce more. If necessary let us give the commodities away. I think that is one of the best things we could do if we really believe in promoting democracy. One of the best ways to increase production is to write into our legislation a formula for the provision of adequate floor prices to our producers. Because I believe such a formula is absolutely necessary I wish to move an amendment to the motion for the second reading of this bill, Mr. Speaker, seconded by the hon. member for Selkirk (Mr. Bryce):

That Bill No. 18 be not now read a second time but that it be resolved that in the opinion of this house consideration should be given to the introduction of legislation providing for the establishing of floor prices at such levels as to guarantee to producers a price-cost relationship not less favourable than that prevailing in the period 1943-1945.

The minister says it is the intention of the government to provide floor prices on that basis. But that is not being done. All I am asking the government to do is to write into our farm legislation a formula which will provide a guaranteed floor price for agricultural producers, based on a parity formula such as I have mentioned.

If that were done, we would get increased production. If we had increased production there would be a lot less likelihood that we would have the very high prices consumers have to pay during certain periods of the year. If we stimulated production to a point

[Mr. Argue.]

greater than consumption in Canada I think we should be all the more pleased, and we should make available that increased agricultural production to the peoples in other nations of the world.

Mr. Victor Quelch (Acadia): Mr. Speaker, we in this group believe that this bill to provide for the establishment of an agricultural products board, together with the Agricultural Prices Support Act, provides the machinery which can—and I use the word “can” advisedly—stabilize the prices of farm products at a fairly satisfactory level. And when I say “a fairly satisfactory level” I mean a level which bears a fair relationship to the prices of other commodities.

For a long time farm organizations have been asking for a formula to be established for the purpose of setting floor prices. When this measure was in the resolution stage the Minister of Agriculture (Mr. Gardiner) did tell the house what kind of formula the government is using at the present time. He stated that under the government formula floor prices would be maintained at such a level that the prices of agricultural products today would bear the same relationship to the price of other commodities that existed in 1943-45.

As the hon. member for Assiniboia (Mr. Argue) has said, the trouble is that that is not written into the Agricultural Prices Support Act. If it were, then I think it would safeguard the farmer against a similar occurrence to that of the thirties, when the prices of farm products fell by over 65 per cent at a time when the prices of other commodities fell to the extent of only 25 per cent.

Have we any assurance that if such a situation developed floor prices would be maintained under the formula outlined by the Minister of Agriculture? If that formula were set out in the Agricultural Prices Support Act we would have that assurance. But in view of the fact that there is no formula in either this measure or the Agricultural Prices Support Act, have we any assurance that if a serious drop in agricultural prices took place, a drop far below the price levels of other commodities, the government would carry out the formula outlined by the Minister of Agriculture? Or would the government then say that it would be too expensive to carry out that formula, and that therefore they would adopt another formula? The only assurance the farmer can have that that formula would be carried out is to place it in the act. Therefore I think the amendment of the hon. member for Assiniboia is good; only, unfortunately, I think it is an amendment to the Agricultural Prices Support Act rather than to the agricultural products board measure.